

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF CHARLES) APPEAL NO. 07-A-2623
MCQUERRY AND JOANN BEAN from the decision of the) FINAL DECISION AND
Board of Equalization of Valley County for the tax year) ORDER
2007.)

RESIDENTIAL PROPERTY APPEAL

NOTICE OF APPEAL was filed September 26, 2007, by Appellants, from a decision of the Valley County Board of Equalization denying the protest of the valuation for taxing purposes of property described as Parcel No. RP004190000530. As a matter of convenience, Appellants requested this appeal be heard on the written record created by the parties, without appearance at a hearing. This Board subsequently requested that all information and evidence to be considered be submitted by both parties. The Board now issues its decision based upon the documentary record.

The issue on appeal is the market value of a residential property.

The decision of the Valley Board of Equalization is modified.

FINDINGS OF FACT

The assessed land value is \$160,700, and the improvements' value is \$310,130, totaling \$470,830. Appellant requests the total assessed value be reduced to \$400,000.

The subject property is 2.046 acres, located in the Coho Subdivision in Donnelly, Idaho. Subject is improved with a 2,354 square foot home, a 792 square foot attached garage, a 660 square foot detached garage and a 330 square foot carport.

Appellants purchased the subject property in September, 2006 for \$385,000.

Appellants asserted the 33% increase in assessed value over the prior year was excessive.

Taxpayers submitted two Certified Fee Appraisals, one dated September 13, 2006 and

the other dated June 14, 2007. The first appraisal valued subject at \$385,000. The appraisal included six comparable properties for sale in subject's neighborhood, which ranged in asking price from \$350,000 to \$400,000. Also included were four properties that sold within the past twelve months for prices between \$330,000 and \$440,000.

The 2007 appraisal reported subject's value at \$400,000.

The Assessor submitted a spreadsheet of the comparable properties that were presented by Appellants. Only four properties were considered by the Assessor to be good comparable sales, due to the fact that the other properties were not of the same grade as subject. The sale prices of the four remaining properties ranged from \$276,000 to \$409,000. The four considered sale prices were compared to their 2007 assessed values which indicated an assessment level or ratio of 97%. When subject was included in the calculation the ratio was 102%. This is noted to be in compliance with the 90% to 110% assessment range allowed by State guidelines.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following conclusions.

Appellants purchased subject in September 2006 for \$385,000. Appellants contend the recent sale price should establish subject's market value. A September 2006 Appraisal valued subject at \$385,000.

Subject was assessed for \$470,830 for the 2007 tax year. Respondent did not provide specific sales to support subject's assessment. Respondent instead referenced Appellant's sales and argued only four sales were comparable. The County maintained the assessed values

were within the mandatory ratio as required by the State.

A proper determination of the market value of taxable property should involve an analysis of multiple factors including the actual cost of the property and its actual sale value. Merris v. Ada County, 100 Idaho 59, 593 P.2d 394 (1979).

The court has consistently held the only criterion for determining value of property for ad valorem tax purposes is the full cash or market value. Merris at 63.

In this case, the Board finds the purchase of the subject property is the best evidence of market value. The appraisal further supports this value. The Board is convinced subject was assessed excessively. As such, the decision of the Valley County Board of Equalization is modified to reflect a total value of \$385,000.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Valley County Board of Equalization concerning the subject parcel be, and the same hereby is, modified to reflect a decrease in the assessed improvements value to \$224,300 and with land value to remain at \$160,700, resulting in a total assessed value of \$385,000.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellants.

MAILED April 30, 2008